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From the UNL College of Business

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## **Southwest Nebraska Skills Gap Report**

Prepared for the Nebraska Department of Labor

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## Executive Summary

In the fall of 2016, the Nebraska Departments of Labor and Economic Development led efforts to conduct two surveys regarding the skills of workers and skill needs of employers in Southwest Nebraska, which includes the North Platte Micropolitan Statistical Area and nearby counties. The two surveys were the *Southwest Nebraska Labor Availability Survey* and the *Southwest Nebraska Survey of Hiring and Training Needs*.

The current study utilizes the results of both surveys as well as secondary data about the Southwest Nebraska economy to summarize information about job skills and whether a skills gap is found within the region. A skills gap is present if it is difficult for a large share of employers to hire in a particular occupation and there is also a persistent gap between the demand for new workers and the number of individuals entering that occupation. Key questions include: In what part of the labor force, if any, is a skills gap present? And, is the skills gap the result of a lack of education and training opportunities, or are other factors at work? Southwest Nebraska includes all or most of Chase, Dundy, Frontier, Hayes, Hitchcock, Keith, Logan, Lincoln, Perkins and Red Willow Counties, and a portion of Southwest Dawson County.

Results of the skills gap study suggest that the annual flow of individuals into Southwest Nebraska workforce is half of the projected annual job openings of regional businesses. Job openings are due to both net job growth and the replacement of workers. A major contributor to this deficit is that annual outmigration of workers from the region. Annual outmigration of 200 workers accounts for 36 percent of the gap between annual job openings and workforce entrants.

Annual deficits of workers are found in most blue collar and service occupations and in select white collar occupations. White collar occupations with a large annual deficit between job openings and new entrants include teachers and business and financial operations workers. Among blue collar workers, large annual deficits are found for construction and extraction workers, production workers, installation, maintenance and repair workers and transportation and material moving workers. Among service workers, the largest annual deficits are found for office and administrative workers, sales and related workers and food preparation and serving related workers. Among both service and blue collar occupations, annual deficits are further magnified because a significant share workers are difficult to hire due to a “poor work history” (which typically means frequent job changes) or an inability to pass a background check.

For the more highly skilled occupations, potential employees can be prepared through enhanced training, education, internship and (in some cases) apprenticeship opportunities developed through collaboration between employers, training entities and other education institutions. These enhanced learning opportunities should be combined with additional efforts to inform secondary school students, and their parents, about the earnings and other opportunities afforded by these occupations. Southwest Nebraska businesses also must work hard to attract and retain workers in these occupations. Further, for blue collar occupations in particular there may be a benefit to attracting more legal immigrants to Southwest Nebraska. Specific occupations are listed below, along with the standard occupation code from the U.S. Bureau of Labor Statistics. A detailed analysis is conducted of each occupation in Chapter 4 of this report.

Loan Officers (SOC CODE 13-2072)  
Registered Nurses (SOC CODE 29-1141)  
Carpenters (SOC CODE 47-2031)  
Automotive Service Technicians and Mechanics (SOC CODE 49-3023)  
Maintenance and Repair Workers, General (SOC CODE 49-9071)  
Machinists (SOC CODE 51-4041)  
Welders, Cutters, Solderers and Brazers (SOC CODE 51-4121)  
Heavy and Tractor-Trailer Truck Drivers (SOC CODE 53-3032)

Results of the research also support another potential initiative. In particular, many employers indicate that a poor work history or elements of worker's personal history are a factor in hiring. There appears to be a large group of applicants who have some or all of the relevant occupation-specific skills, but who are still not appealing to employers due to work history or an inability to pass a background check. This raises two key questions: is there a subset of workers in these occupations with potential to change, that is, to become more committed to and a better team member at work? And, how can workers who are able to change be identified and separated from the others? To answer these questions, there should be extensive discussion with human resources representatives and direct supervisors of workers regarding what practical steps workers can take, if any, over time to change a poor work history into an adequate work history.

Finally, this research does not find that the level of wages in Southwest Nebraska is a significant challenge for hiring in most occupations. Specifically, in nearly all occupation groups the wage requirements of individuals seeking work represent only a moderate increase over their current wage.

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## 1. Introduction...

During the fall of 2016, the Nebraska Departments of Labor and Economic Development led efforts to survey both households and businesses in Southwest Nebraska. Surveys were designed to examine the skills and work preferences of regional residents and the skill needs and training practices of local employers. These surveys were the *Southwest Nebraska Labor Availability Survey* and the *Southwest Nebraska Survey of Hiring and Training Needs*. Southwest Nebraska includes all or most of Chase, Dundy, Frontier, Hayes, Hitchcock, Keith, Logan, Lincoln, Perkins and Red Willow Counties, and a portion of Southwest Dawson County.

Survey results yield detailed information about the skills of the local workforce and the hiring and training activities of area businesses. These results provide significant insight into whether there are skills gaps present in individual occupations within Southwest Nebraska. Such skills gaps are present if a high share of employers find that it is difficult to hire workers for an occupation and there is a persistent gap between the demand for workers and the number of workers entering that occupation.

Survey results also indicate that skills gaps have potential to limit growth of the Southwest Nebraska economy. In particular, a large percent of respondents to the *Southwest Nebraska Survey of Hiring and Training Needs* indicate that labor availability would be an issue if they were asked to consider a local expansion.

Measuring the skills gap is challenging. After all, both businesses and workers are likely to cite difficulty in the labor market with some frequency. For employers, finding and maintaining a productive work force is one of the key challenges of running a business. Likewise, finding and keep meaningful employment is one of the key career challenges faced by workers. Sure enough, survey results show that these were key concerns. For example, 85.6 percent of potential job seekers in the Southwest Nebraska labor market, identified through the Southwest Nebraska Labor Availability Survey, report that a lack of local job opportunities is an obstacle to finding new employment. At the same time, 77.4 percent of employers responding to the *Southwest Nebraska Survey of Hiring and Training Needs* indicate that it is difficult to hire workers.

Do these survey responses mean that a broad-based skills gap is present in the Southwest Nebraska economy? Not necessarily. After all, as noted above, we would anticipate a certain level of concern by businesses and people given the rigor of the labor market. A more interesting question is: for which occupations is it most difficult to find a worker, or to find a job? Further, to identify a skills gap in a particular occupation, we also must identify factors which are causing a lingering shortfall in the number of qualified and employable workers entering the occupation.

There are many potential reasons why a skills gap could develop within an occupation.

**Structural Change** – Structural change refers to changes in technology, customer demand, or international competition which expand the demand for workers in select occupations (and reduce the demand in others). Time may be required for workers to prepare for these emerging occupations, either through retraining for existing workers or by providing appropriate degree and certificate programs for college, community college and high school students.

**Education and Training Programs** – Appropriate degree and certificate programs are needed to help workers build skills required in the economy. Local education institutions, many of which are part of the public sector, may struggle to identify needed programs or change program offerings to meet the needs of students and employers. Degree and certificate programs also must be sufficiently rigorous to prepare students to meet employer needs.

**Appeal of Occupations** – Even when adequate degree and training programs are available, occupations may fail to attract workers at prevailing wages. The combination of wages, benefits and working conditions in a particular occupation may fail to attract workers relative to other work options available within the economy. Such conditions can arise or grow worse as the economy evolves and can also occur because potential workers have inadequate information about the benefits of a particular occupation, or are steered away from an occupation by family members, mentors, or public perception. At the same time, competitive conditions may prevent local employers from raising pay and benefits in order to enhance the appeal of a particular occupation.

**Taxes on Middle Class Workers** – At prevailing wages, taxes may discourage workers from making investments in their skills through education and training programs. Such monetary investments may not be appealing if too large a share of incremental earnings go to federal, state and local government (either directly through income taxes or indirectly through sales and property taxes). In other words, if the tax burden is too high, workers may not choose to enter skilled occupations where work opportunities are abundant, even when local education and training opportunities are adequate.

**Career Destruction** – A portion of workers at all skill levels may engage in behavior which reduces their employment potential. These workers may have adequate skill and experience for an occupation, but still not appeal to employers. For example, worker may have a criminal record, or fail to pass a drug test or may have a poor work history, as evidenced by frequent job changes or other indicators of an inability to fit into the workplace. In these cases, a skill gap can arise because worker skills cannot or will not be utilized by employers, rather than a lack of skill.

**Social Safety Net** – Public benefits such as Medicaid, TANF or Social Security Disability Income may create a significant disincentive for some workers, particularly lower skills workers, to fully participate in the workforce. This may make it very challenging for employers in some occupations to find an adequate workforce.

**Net Outmigration** – While workers are constantly moving in and out of cities, some cities develop a pattern of sustained net outmigration of workers (the difference between in-migrants and out-migrants) in a wide variety of occupations. Net outmigration may be especially severe in those skilled occupations which are typically filled with younger workers (for example, computer and mathematical occupations), given that younger, educated workers also are the most mobile.

These phenomena can limit the local supply of workers in selected skill groups, leaving employers to note a lack of adequately trained workers, or workers who have a poor work history or wage demands which are too high. This report will utilize data from a variety of sources to identify where a skills gap may be present, including data from the *Southwest Nebraska Labor Availability Survey*, the *Southwest Nebraska Survey of Hiring and Training Needs*, and data on projected job openings, the flow of graduates and prevailing wages. We began by comparing the annual job openings generated in each occupation, due to net job growth and the replacement of workers, with the potential annual supply of

new workers to the occupation, due to local graduates, local residents who are not currently working, and net migration.

We also consider the share of existing employed workers who are open to or pursuing a change in jobs, and compare their wage requirements with prevailing market wages. Such “churn” in the labor market is important to provide employers with the best match of experienced, skilled workers.



## 2. Supply and Demand for Workers in Southwest Nebraska by Occupation

The most basic measure of the balance between supply and demand in an occupation is whether there is a gap of between the number of workers being prepared for the occupation each year and the annual need for new workers. Over time, the annual flow into and out of the occupation will influence how scarce, and difficult to find, workers become. This chapter compares the number of individuals joining an occupation each year after leaving school (either as a graduate or a non-graduate) or through net immigration with the number of openings in an occupation each year due to net job growth or the need to replace workers, including workers who retire. This chapter further examines the potential for individuals who are not working to re-enter the labor force. This provides an additional source of potential new workers for Southwest Nebraska employers.

Lastly, the level of “churn” among the existing workers is examined within each occupation. Churn is the rate at which workers in an occupation move between jobs. It is critical since jobs within a single occupation can differ in terms of requirements for skill and experience. An abundance of new graduates can help fill entry level positions but existing, more experienced workers (i.e. former entry level workers) are needed to fill some openings. Churn is the process which improves the skill match for workers and employers. This chapter estimates the percent and number of experienced workers within each occupation who are searching for employment.

### A. Supply versus Demand for Workers by Occupation

The first step is to compare the annual job openings and new entrants for each major occupation group within Southwest Nebraska. Job openings in an occupation is a function of net job growth in that occupation and the replacement of workers. In most occupations, replacement is primarily due to retirement.

New entrants to an occupation come as local individuals leave school and net migration to Southwest Nebraska. Individuals who leave school include both graduates and non-graduates. Annual graduates are high school graduates (and GED completers), community college graduates or college graduates. Non-graduates include individuals who drop out of high school, community college, or college. College and community college graduates are assigned to occupations based on their major field of study. High school graduates and non-graduates are assigned to occupations which do not require a college degree based on the number of annual openings. Analysis also adjusts for the share of graduates and non-graduates who are likely to be active participants in the labor force in any given year. This provides the best estimate of how many “workers” are being added in the area economy each year.

Openings in the Southwest Nebraska labor market are based on projections developed by the Office of Labor Market Information (LMI) of the Nebraska Department of Labor. Specifically, the Nebraska LMI generates projections of the demand for additional workers in an occupation based on net job growth and replacements, as part of its *Nebraska 2014-2024 Long-Term Occupational & Industry Projections* publication. In particular, the Department of Labor produces projections for multiple sub-state regions of Nebraska including for the Mid-Plains Economic Development region. Project openings for the Mid-Plains region are shared down for the 10-county Southwest Nebraska region, based on the share of Mid-Plains employment found within the 10-county region. The resulting projections are cumulative for 10 years. Annual openings due to net job growth and replacements are estimated by taking one-tenth of the 10 year projection. This estimate of the annual job openings is shown in Table 2.1 below.

Table 2.1 also contains estimates of the number of local individuals finishing college or community college in a given year with a potential to enter each occupation in Southwest Nebraska. As Southwest Nebraska is not home to a major college, the degrees of college graduates are estimated based on fields of study at a set of Nebraska Universities which students from Southwest Nebraska would be most likely to attend, in particular the University of Nebraska at Kearney and the University of Nebraska - Lincoln. Data on degrees was obtained from the IPEDS data base (the *College Navigator* web portal) maintained by the U.S. Department of Education. Degree choice patterns were applied to the estimated number of Southwest Nebraska residents expected to complete college each year.

Table 2.1: Annual Openings and School Leavers by Occupation Group

Occupation	Annual Net Openings NDOL	Annual School Leavers		
		College and Community College Graduates	Others	Total
Management	94	6	0	6
Business and Financial Operations	21	17	0	17
Computer and Mathematical	3	4	0	4
Architecture and Engineering	6	6	0	6
Life, Physical and Social Sciences	10	108	0	108
Community and Social Service	15	5	0	5
Legal	1	1	0	1
Education, Training and Library	52	10	0	10
Arts, Design, Entertainment, Sports, and Media	11	8	0	8
Healthcare Practitioners and Technical Workers	61	49	0	49
Healthcare Support	27	0	16	16
Protective Services	12	4	7	12
Food Preparation and Serving Related	101	0	61	61
Building and Grounds Cleaning and Maintenance	34	0	20	21
Personal Care and Services	24	0	14	14
Sales and Related	127	0	77	77
Office and Administrative Support	114	19	69	88
Farming, Fishing, and Forestry	81	2	49	51
Construction and Extraction	33	2	20	23
Installation, Maintenance and Repair	80	6	48	55
Production	84	1	51	52
Transportation and Material Movers	118	0	71	71

Sources: Nebraska Dept of Labor for job openings and IPEDS, U.S. Department of Education for graduates, and BBR calculations

Notes: 1) Others includes high school dropouts, high school graduates (GED completers) or college or community college non-completers. 2) college or community college graduates and others may not sum to total leavers due to rounding

The number of high school graduates in Southwest Nebraska is estimated based on the number of 2014-2015 high school graduates in Nebraska (23,485), and the share of Nebraska's 15- to 17-year olds who live in the 10 Southwest Nebraska counties (3.8%). Data on the share of 15- to 17- year olds comes from the U.S. Bureau of Census. The 15- to 17- age range is used since such estimates are regularly generated by the U.S. Bureau of Census for counties and since some 18 year-olds are already attending college. The annual number of high school graduates in Nebraska is based on 22,912 graduates reported in the *2016 Nebraska Higher Education Progress Report* from the Nebraska's Coordinating Commission on Postsecondary Education and national data from the U.S. Department of Education's *Digest of Education Statistics* indicating that 2.5% of high school-age students attend home school.<sup>1</sup>

Multiplying the annual number of Nebraska high school graduates by the percent of state 15- to 17-year olds in Southwest Nebraska area yields an estimated of 890 annual high school graduates (including a GED for home school students) in the potential labor market of Southwest Nebraska. Commuting patterns identified by the Nebraska Department of Labor suggest that workers in most zip codes in the 10-county labor market area are part of the North Platte Nebraska labor shed.

How many of those 890 high school graduates decide to attend college or community college? According to the *2016 Nebraska Higher Education Progress Report* 61.6 percent of high school graduates attend a degree-granting institution (either in-state or out-of-state) within one-year of completing high school. That includes individuals who attend a college or a community college. Therefore, the annual flow of individuals who attend a post-secondary institution is approximately 61.6 percent of 890, or 550. Those 550 individuals include persons who are attend 2-year and 4-year colleges. Data provided in the *2016 Nebraska Higher Education Progress Report* suggests that 26.4 percent of high school graduates attend 2-year public colleges (community colleges) with the remaining 73.6 percent attending public 4-year colleges or private colleges. Applying this 73.6 percent rate to the 550 graduates attending college yields an estimate that 405 Southwest Nebraska high school graduates attend a 4-year college. The *Nebraska Higher Education Progress Report* indicates that overall graduation rate for individuals who begin at a post-secondary institution in Nebraska is 50.0 percent. This implies 200 potential 4-year college graduates each year who attended high school in Southwest Nebraska. An estimated 100 of these would return to Southwest Nebraska to work after graduation. This estimate is based on research by the Pew Research Center (2008)<sup>2</sup>, which indicates that 48 percent of rural adults, including those who attended college or served in the military, choose to live in their hometown as adults.

Most of these college graduates are expected to participate in the labor force in any given year while they are in the prime working age of 25 to 64. In particular, data from the National Center for Education Statistics found that in 2014 87.0 percent of 25 to 64 year olds who completed a Bachelor's degree were working. This participation rate for college graduates was combined with the approximately 100 graduates expected to return to live and work in Southwest Nebraska after graduation to estimate that 87 graduates would be available to participate in the labor force during a given year.

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<sup>1</sup> National Center for Education Statistics (not dated). *Digest of Education Statistics*, Table 206.10: Number and percentage of homeschooled students ages 5 through 17 with a grade equivalent of kindergarten through 12th grade, by selected child, parent, and household characteristics: 2003, 2007, and 2012. Available at: <https://nces.ed.gov/fastfacts/display.asp?id=91>. Accessed January 21, 2017.

<sup>2</sup> Taylor, Paul, Rich Morin, D'Vera Cohn, and Wendy Wang, 2008. *American Mobility: Who Moves? Who Stays Put? Where's Home?*, A Social & Demographic Trends Report, Pew Research Center, <http://pewresearch.org>.

North Platte, McCook, Imperial and other Southwest Nebraska communities are home to Mid-Plains Community College. Individuals completing a degree at Mid-Plains Community College are assigned to a particular occupation based on the match between their degree program and the occupation. The number of graduates by degree program for Mid-Plains Community College also was obtained from the IPEDS data base (the *College Navigator* web portal) maintained by the U.S. Department of Education. There were approximately 350 graduates in 2015-16, the most recent year for which data is available through IPEDS. A portion of these community college graduates will continue on to college. We assume that the 90 graduates in the general fields of study of life, physical and social sciences will ultimately continue onto college yielding an estimate of 260 graduates. Approximately 80 percent of these Mid-Plains Community College graduates attend the school within the 10-county Southwest Nebraska region. Other graduates of Mid-Plains Community College study in Valentine and Broken Bow, which are outside of the region. There are therefore approximately 210 community college graduates each year for the Southwest region.

Most of these community college graduates are expected to participate in the labor force in any given year while they are in the prime working age of 25 to 64. In particular, data from the National Center for Education Statistics found that in 2014 77.6 percent of 25 to 64 year olds who completed an Associate's Degree were in the formal labor market.<sup>3</sup> This compares to 87.0 percent of 25 to 64 year olds who completed a Bachelor's degree. This participation rate for community college graduates was combined with the approximately 210 graduates to estimate that 160 community college graduates would be available to participate in the labor force during a given year.

The next task is to estimate the annual number of school leavers in three categories: individuals leaving college before graduating, those finishing high school but not pursuing a two- or four-year college degree and those who drop out of high school. Methods for each estimate are described below.

**High School Graduates Not Continuing to College or Community College.** Calculations above estimated that there are 890 annual high school graduates (including a GED for home school students) in Southwest Nebraska and that 61.6 percent, or 550, would attend college. The remaining 38.4 percent, or 340, would potentially enter the job market immediately as high school graduates. A portion of these individuals will participate in the labor force in a given year. The National Center for Education Statistics found that 72.0 percent of 25 to 64 year olds those who completed high school but did not participate in post-secondary education were in the labor market in 2014. This is 72 percent is applied to 340 to yield an estimate of 245 additional labor force participants with a high school degree only.

**High School Dropouts.** The *2016 Nebraska Higher Education Progress Report* indicated that Nebraska has a four-year high school graduation rate of 90 percent. This graduation rate implies that there is one non-completer for each nine high school graduates. This yields an estimate of approximately 100 high school dropouts in Southwest Nebraska in any particular year (although some of these individuals will ultimately obtain a GED). The National Center for Education Statistics report found that 59.9 percent of those who did not complete high school were participating in the labor market in 2014. Applying this rate to the population of 100 indicates that high school dropouts contribute 60 additional labor force participants each year.

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<sup>3</sup> Institute for Education Sciences, 2015. "Employment Rates and Unemployment Rates by Educational Attainment," National Center for Education Statistics, U.S. Department of Education (May). Accessed at [nces.ed.gov/programs/coe/indicator\\_cbc.asp](https://nces.ed.gov/programs/coe/indicator_cbc.asp)

**College and Community College Non-Completers.** As noted earlier, the *Nebraska Higher Education Progress Report* indicates that the overall graduation rate for individuals who begin at a post-secondary institution in Nebraska is 50.0 percent. Applying this rate to the 61.6 percent of 890 high school graduates who attend college yields an estimate that 275 individuals will potentially enter the local labor market each year without a completing a post-secondary degree. Of these, there were 20 graduates of certificate programs for Licensed Practical/Vocational Nurse programs which were counted among the community college graduates. Adjusting for this, there were an estimated 255 individual potentially entering the labor market without a degree (or the LPN certificate). The National Center for Education Statistics report indicates that 77.6 percent of these will enter the labor force, implying 200 additional labor force participants each year.<sup>4</sup>

Altogether, approximately 505 high school only completers, high school non-completers, and college non-completers (who did not earn a certificate as a Licensed Practical/Vocational Nurse) enter the Southwest Nebraska labor market each year. These individuals are distributed among the occupations which do not *require* a college or community college degree (although workers may have a degree) including: healthcare support; protective services; food preparing and serving; building and grounds; personal care and services; sales; office and administrative support; farming, fishing and forestry; construction and extraction; installation, maintenance and repair; production; and transportation and material moving occupations. The 505 individuals are allocated to these occupations based on the share of annual openings.

Results in Table 2.1 show that there is deficit of school leavers in Southwest Nebraska each year relative to annual openings in the region. Across all occupations there are 355 fewer school leavers than job openings each year in Southwest Nebraska. Deficits are found for select white collar occupations and most blue collar and service occupations. Among white collar occupations, there is a significant annual deficit for teachers. There are also annual deficits for business and financial operations, community and social service and healthcare practitioners and technical workers. The deficit for community and social service workers may be filled through the surplus of life, science and social science workers but there is a challenge in recruiting doctors and more highly educated nurses to the region. Note that farm owners are classified as managers, which explains the deficit in this occupation. Annual deficits are common for blue collar and service occupations. There is a significant annual deficit for construction and extraction workers, production workers, installation, maintenance and repair workers and transportation and material mover workers. Among service occupations, large annual deficits also are found for sales workers, office and administrative support workers and food preparation and serving related workers.

Further, Table 2.1 does not reflect the flow of workers into and out of Southwest Nebraska each year. In particular, the Southwest Nebraska area loses 204 *workers* each year due to net outmigration to other regions. Estimates of entrants and openings after net outmigration are provided in Table 2.2. Estimates for migration are based on U.S. Bureau of Census data for total population. Estimates of total population are converted to estimates of migration by workers utilizing employment to population ratios. Net outmigration swells the annual deficit between job openings and new entrants in Southwest Nebraska to 550.

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<sup>4</sup> This estimate assumes that individuals Southwest Nebraska high school graduates who attended but did not complete post-secondary education in another city would return to the area.

Table 2.2: Annual Openings and Entrants by Occupation Group, Including Migrants

Occupation	Annual Net Openings NDOL	Annual Entrants		
		Annual School Leavers	Net Migration	Total
Management	94	6	-12	-6
Business and Financial Operations	21	17	-5	12
Computer and Mathematical	3	4	-1	3
Architecture and Engineering	6	6	-1	4
Life, Physical and Social Sciences	10	108	-15	94
Community and Social Service	15	5	-3	3
Legal	1	1	0	1
Education, Training and Library	52	10	-8	2
Arts, Design, Entertainment, Sports, and Media	11	8	-2	5
Healthcare Practitioners and Technical Workers	61	49	-13	35
Healthcare Support	27	16	-6	10
Protective Services	12	12	-3	9
Food Preparation and Serving Related	101	61	-22	39
Building and Grounds Cleaning and Maintenance	34	21	-7	13
Personal Care and Services	24	14	-5	9
Sales and Related	127	77	-25	52
Office and Administrative Support	114	88	-22	65
Farming, Fishing, and Forestry	81	51	-13	38
Construction and Extraction	33	23	-5	17
Installation, Maintenance and Repair	80	55	-13	42
Production	84	52	-9	43
Transportation and Material Movers	118	71	-13	58

Sources: Nebraska Depart of Labor for job openings and IPEDS, U.S. Department of Education for graduates, and BBR calculations

Notes: 1) Others includes high school dropouts, high school graduates (GED completers) or college or community college non-completers. 2) college or community college graduates and others may not sum to total leavers due to rounding

Net outmigration also influences the balance between openings and labor market entrants in specific occupation groups. In Table 2.2., estimates of net out-migration by workers are allocated to 5 civilian major occupation categories and for military personnel: 1) management, business, science, arts, 2) service occupations, 3) sales and office occupations, 4) natural resources, construction, and maintenance, 5) production, transportation and material moving and 6) military specific occupations. The Bureau of Census also has data on the frequency of migration within these occupation categories. After making this adjustment, the underlying pattern continues. Significant annual deficits are found for select white collar occupations and for most blue collar and service occupations.

Further, there are additional reasons to be concerned about the available supply of new workers. In particular, an assumption throughout the analysis has been that workers entering the labor market would remain viable to work over their lifetime. Yet, in some cases, workers with appropriate training will diminish their ability to utilize those skills by developing a poor work history or personal issues which discourage employers from hiring them. Table 2.3 show the potential size of this problem. The table lists the percentage of business respondents to the *Southwest Nebraska Survey of Hiring and Training Needs* who indicated it was difficult to hire workers in part due to: 1) poor work history and 2) failure to pass background checks. These percentages are significant, especially given the existing gap between openings and annual entrants.

Table 2.3: Total Annual Openings and Entrants and Problems with Work History

	Balance And Problems
Annual Openings	1,108
Annual Entrants Southwest Nebraska	549
Share of Applicants with	
Poor Work History	43.3%
Failed Background Check	22.0%

Sources: IPEDS, U.S.

Department of Education for graduates and *Southwest Nebraska Survey of Hiring and Training Needs* and BBR calculations

#### *Potential Supply from Area Residents Who Are Not Currently Employed*

While Tables 2.1 through 2.3 address the long-term balance between annual job openings and entrants in each occupation, it should be noted that there is another potential source to source to bring new workers into the Southwest Nebraska economy over the next few years. That source is area residents who are not currently employed, including unemployed workers and individuals who are currently out of the labor force, such as retirees or homemakers.

Table 2.4 provides information on the population of the Southwest Nebraska who are not currently employed but would be likely to re-enter the workforce. Data in the table is assembled using responses of individuals in the *Southwest Nebraska Labor Availability Survey*. That survey included a significant number of responses from individuals who indicated that they were unemployed, retired, or were currently homemakers. Respondents provided information both about their previous occupation when they worked in the past and whether they would be likely to re-enter the workforce. Approximately 9.8 percent indicated that they would be “likely to enter the workforce next year if a suitable job is available.” This percentage is much higher than might be expected given the 2.5 to 3.5 percent unemployment rates that prevail in Southwest Nebraska. However, the difference makes sense given that the criteria for being classified as unemployed are not as strict in the *Southwest Nebraska Labor Availability Survey*. In particular, persons do not need to demonstrate that they have been actively searching for work but just need to indicate they would be likely to rejoin the workforce for the right job.

This broader 9.8 percent of individuals who are open to rejoining the workforce implies a chance to add a significant number of new workers to the labor force and plug some of the annual gap between occupation job openings and entrants, at least for a few years. In particular, there are approximately 20,800 adults age 16 and above in Southwest Nebraska who are classified as out of the labor force or

unemployed. The 9.8 percent figure indicates that there are potentially up to 2,050 additional workers for the Southwest Nebraska economy. Table 2.4 shows the occupations for which these potential workers might be available, based on the previous occupation.

Table 2.4: Number of Jobless Individuals Likely to Re-Enter the Workforce by Previous Occupation

Occupation	Southwest Nebraska
Management	96
Business and Financial Operations	70
Computer and Mathematical	49
Architecture and Engineering	0
Life, Physical and Social Sciences	0
Community and Social Service	0
Legal	0
Education, Training and Library	75
Arts, Design, Entertainment, Sports, and Media	0
Healthcare Practitioners and Technical Workers	82
Healthcare Support	197
Protective Services	83
Food Preparation and Serving Related	250
Building and Grounds Cleaning and Maintenance	103
Personal Care and Services	24
Sales and Related	344
Office and Administrative Support	317
Farming, Fishing, and Forestry	0
Construction and Extraction	72
Installation, Maintenance and Repair	49
Production	0
Transportation and Material Movers	238
Never Worked	0

Source: *Southwest Nebraska Labor Availability Survey*

As seen in Table 2.4, a significant share of these workers were in the transportation and material moving occupation group. Among white collar occupations, in Southwest Nebraska there are approximately 100 individuals with management experience, 70 former business and financial operations workers, 75 former education workers and 80 former health care practitioners and technicians. The largest number of potential re-entrants, however, are in service occupations. There are approximately 345 in the sales and related occupation group, 320 in the office and administrative support occupation group, and 200 in the healthcare support occupation. Note that these service occupations also had a significant annual gap between job openings and entrants, as was seen in Table 2.2.



## B. Job Search among the Currently Employed

Beyond the overall balance of openings and entrants in an occupation, employers have a need for hiring experienced workers. Such positions are often filled by workers who are currently employed. While this can be frustrating for employers who lose workers, this “churn” of workers can be beneficial. In particular, job search by the employed helps experienced workers find the best match between their job and their skills and experience. Finally, workers who are hired away, in turn, leave open positions which create an opportunity, and potentially a better job match, for another worker.

The *Southwest Nebraska* Labor Availability Survey asked employed workers whether they were actively searching for work, along with questions about their experience and occupation. Survey results indicate that 8.1 percent of currently employed workers are actively searching for a job. This implies that approximately 2,830 employed workers are actively searching at any moment in time. Survey results also can be used to generate statistics about the share and number of employed workers in each occupation who are actively searching for a job. These shares are presented in Table 2.5.

Results in Table 2.5 show great variation in the share of employed workers who are actively seeking a new job. In most occupations, between 5.5 percent and 17.5 percent of workers are actively seeking new work. The highest shares are Arts, Design, Entertainment, Sports and Media workers (17.4%) and food preparation and serving related workers (14.6%). At least 5.7 percent of workers are actively seeking a new job among blue collar occupations, with 10.2 percent of production workers seeking new work. Among white collar workers, the share searching for work is slightly higher for education, training and library occupations (11.7%). For service occupations, the share of workers searching for work is higher for office and administrative support occupations (13.5%) and personal care and service workers (11.2%).

The largest number of employed workers who are actively seeking a new job are found in select white collar and service occupations. Among white collar workers, the largest number of workers searching for work are in the management and teaching occupations. These are also the white collar occupations with the largest number of workers. Note that farmers and ranchers typically would be classified as farm and ranch managers. Among service workers, there are 685 office and administrative support workers actively seeking new work in Southwest Nebraska. There are a large number of employed blue collar workers actively seeking other work including an estimated 250 transportation and material moving workers.

Table 2.5: Percent and Number of Employed Individuals Who Report Actively Searching for a Job By Occupation

Occupation	Percent Actively Seeking a Job	Number Actively Seeking a Job Southwest Nebraska
Management	6.5%	345
Business and Financial Operations	3.0%	41
Computer and Mathematical	0.0%	0
Architecture and Engineering	0.0%	0
Life, Physical and Social Sciences	8.1%	27
Community and Social Service	5.5%	49
Legal	7.0%	27
Education, Training and Library	11.7%	309
Arts, Design, Entertainment, Sports, and Media	17.4%	15
Healthcare Practitioners and Technical Workers	6.0%	178
Healthcare Support	9.9%	85
Protective Services	0.0%	0
Food Preparation and Serving Related	14.6%	121
Building and Grounds Cleaning and Maintenance	5.7%	46
Personal Care and Services	11.2%	107
Sales and Related	7.8%	156
Office and Administrative Support	13.5%	685
Farming, Fishing, and Forestry	6.0%	75
Construction and Extraction	9.7%	98
Installation, Maintenance and Repair	5.7%	121
Production	10.2%	94
Transportation and Material Movers	7.4%	248

Source: *Southwest Nebraska Labor Availability Survey*

As is evident from Table 2.5, there is a significant number of employed workers actively seeking new employment at any moment in time. In fact, the number of employed workers actively searching for a job typically dwarfs the number of annual entrants to each occupation. Table 2.6 compares the estimated number of employed workers actively searching for a work at a given moment (Table 2.5) with the estimated number of annual of entrants, by occupation (Table 2.2) for Southwest Nebraska. For most occupations, there are more experienced workers actively searching for work than new entrants. This highlights the critical role that job search by experienced workers plays in operation of the labor market.

Table 2.6: Relative Abundance of Currently Employed Job-Seekers by Occupation

Occupation	School Finishers and Net Migrants Southwest Nebraska	Employed But Actively Seeking Work Southwest Nebraska
Management	-6	345
Business and Financial Operations	12	41
Computer and Mathematical	3	0
Architecture and Engineering	4	0
Life, Physical and Social Sciences	94	27
Community and Social Service	3	49
Legal	1	27
Education, Training and Library	2	309
Arts, Design, Entertainment, Sports, and Media	5	15
Healthcare Practitioners and Technical Workers	35	178
Healthcare Support	10	85
Protective Services	9	0
Food Preparation and Serving Related	39	121
Building and Grounds Cleaning and Maintenance	13	46
Personal Care and Services	9	107
Sales and Related	52	156
Office and Administrative Support	65	685
Farming, Fishing, and Forestry	38	75
Construction and Extraction	17	98
Installation, Maintenance and Repair	42	121
Production	43	94
Transportation and Material Movers	58	248

Sources: IPEDS, U.S. Department of Education for graduates and *Southwest Nebraska Labor Availability Survey* and BBR calculations

### 3. Barriers to Employment and the Local Labor Market

The preceding chapter found that there are a significant group of currently employed workers who are actively looking for a new job. In many occupations, there are also individuals who are not currently working who would be likely to enter the workforce if a suitable job is available. These workers represent an important skill resource for employers in Southwest Nebraska. Two questions about these potential workers come to mind. First, what challenges or barriers do they foresee in seeking new employment? Second, do these challenges appear to represent a skills gap? These two questions are discussed below.

Survey results reported in the *Southwest Nebraska Labor Availability Survey* show the types of barriers perceived by employed workers who would consider changing jobs. The various criteria fall into categories including working conditions, suitability for employment, work schedule, and compensation. Analysis focuses on the currently employed. Workers who are unemployed, retired or otherwise out of the labor force generally did not respond to the question.

Five in six employed potential job seekers (85.6%) cite a lack of job opportunities in the area as a barrier to changing jobs. This result is perhaps surprising given that projected job openings double labor market entrants in Southwest Nebraska, as reported in Chapter 2. However, the result may simply mean that potential job seekers perceive a lack of appropriate job opportunities, that is, job opportunities which match their skills and their ambitions. This perspective is bolstered by the finding that over one fifth of employed potential job seekers (21.5%) report facing a barrier to finding new employment because they are “overqualified.” Other common obstacles perceived by potential job seekers relate to compensation and work hours available from local employers. More than four in five (82.2%) cite “inadequate pay offered by local employers” as an obstacle. Inadequate benefits are cited by 72.1 percent of employed potential job seekers. Inadequate hours are cited by 61.3 percent.

Potential job seekers also perceive that their own background may limit their potential to find employment. More than two in five (42.7%) cite a lack of training while 35.2 percent cite a lack of education. Besides skill, workers also are concerned about elements of their work history or personal history which create a perceived barrier. Poor credit history is noted by 21.0 percent of employed potential job seekers. Credit history is sometimes used as a hiring screen by employers. Work history is cited by 11.0 percent, while a criminal record is cited as a barrier by 4.8 percent.

Results also showed that family considerations create a barrier for some workers. In particular, a lack of childcare is noted by 9.3 percent of employed potential job seekers and family commitments are noted by 39.0 percent. Currently employed workers may have found a position which can accommodate their family commitments, a feature which binds them to that position.

Do these obstacles suggest the presence of a skills gap in Southwest Nebraska? Potentially so, if potential job seekers perceive they have inadequate education or training, or have a life history such as a criminal record which will dissuade employers from utilizing their skills, or if employers offer inadequate wages to attract potential job seekers into the new jobs where their skills are needed. Below we examine this evidence of a skills gap in more detail, by comparing worker assessments with those of employers, and comparing wage expectations with market wages in Southwest Nebraska.

Table 3.1 compares employer perceptions of worker skill with the perceptions of potential job seekers. Employer perceptions come from the report *Southwest Nebraska Survey of Hiring and Training Needs*. In particular, employers were asked whether a series of factors, including occupation skills, make it difficult to hire workers in particular occupations. Employer perceptions of a lack of occupation specific skills from whatever source (a lack of education, lack of training) is similar to the perceptions of potential job seekers. Both perceive a significant problem.

Table 3.1: Employer and Employed Potential Job Seekers Perceptions of Skill and Training

Issue	Employed Potential Job Seekers	Employers Hiring for Specific Occupations
Percent Indicating a Lack of Training is an Obstacle to Changing Jobs	42.7%	
Percent Indicating a Lack of Education is an Obstacle to Changing Jobs	35.2%	
Percent Indicating that Lack of Occupation Specific Skills Makes It Difficult to Hire		38.6%
Percent Indicating that Lack of Required Licenses/Certificates Makes It Difficult to Hire		12.2%

Sources: *Southwest Nebraska Survey of Hiring and Training Needs* and *Southwest Nebraska Labor Availability Survey*

Table 3.2 looks at other workforce issues which influence employability; in particular, facts or tendencies in the background of workers which may reduce or prohibit employability even if workers have the necessary skills for an occupation. The table shows that 22.0 percent of employers indicate that applicants who fail background checks make it difficult to hire. A background check can include a variety of factors including criminal record, substance abuse, or evidence of credit problems. Results from the *Southwest Nebraska Labor Availability Survey* indicate that some potential job seekers also recognize that such difficulties with their background could be a barrier to employment.

Table 3.2: Employer and Employed Potential Job Seekers Perceptions of Worker Background and History

Issue	Employed Potential Job Seekers	Employers Hiring for Specific Occupations
Percent Indicating Criminal Record is an Obstacle to Employment	4.8%	
Percent Indicating Employment History is an Obstacle to Employment	11.0%	
Percent Indicating Poor Credit History is an Obstacle to Employment	21.0%	
Percent Indicating Failed Background Check Makes It Difficult to Hire		22.0%
Percent Indicating that Poor Work History Makes It Difficult to Hire		43.3%

Sources: *Southwest Nebraska Survey of Hiring and Training Needs* and *Southwest Nebraska Labor Availability Survey*

Table 3.2 also shows that 43.3 percent of employers indicate that applicants with a poor work history make it difficult to hire, as reported in the *Southwest Nebraska Survey of Hiring and Training Needs*.

Follow-up discussions with employers suggest that poor work history refers to evidence of frequent “job-hopping,” or other indicators that workers do not fit in well at their workplace. Note that there is a large opinion gap between employers and workers with regards to work history. Only 11.0 percent of employed job seekers feel that employment history is an obstacle to finding a new job. Such problems can certainly discourage hiring, even when workers have the required skills. This is the largest difference between the perceptions of employers and potential job seekers among any of the issues presented in Tables 3.1 and 3.2.

The final issue pertains to the wages and benefits of potential jobs. This is another area where potential job seekers and employers have very different perceptions. As was noted above, the vast majority of potential job seekers see wages or benefits available from local employers as an obstacle to finding a new job. But, just 25.2 percent of employers see wage demands from workers which were “too high” as a cause of difficulty in hiring, according to the results in the report *Southwest Nebraska Survey of Hiring and Training Needs*.

This issue is worthy of further study. Fortunately, a wealth of information is available about local wages, including detailed information about the wage desires of workers from the *Southwest Nebraska Labor Availability Survey* and information about the average wages by occupation in Southwest Nebraska from the U.S. Bureau of Labor Statistics. The information can be used to assess whether potential job seekers have realistic expectations regarding wages in potential new jobs. Realistic expectations would be present if differences in wage expectations among job seekers and employers do not rise to the level of being a source of a skills gap in the local economy. In particular, the question is whether employed potential job seekers expect to see a very large increase in wages compared to their current job.

A related question is whether the desired wages are high relative to the average wages of workers in that occupation in Southwest Nebraska. While the *Southwest Nebraska Labor Availability Survey* found that potential job seekers desired flexibility and other beneficial job characteristics in new employment, some increase in wages would be expected in order to draw workers to a new job.

Results in Table 3.3 show current wages and desired wages for employed potential job seekers by education attainment category. This is a comparison between the current wage reported by respondents to the *Southwest Nebraska Labor Availability Survey* and the minimum wage which would be required for respondents to improve their job situation, assuming a new position met their other most important job condition requirements. Results are presented for potential job seekers who report hourly wages. Results show that the average potential job seeker hopes for a position which pays \$2.18 to \$4.05 per hour more than their current position, depending on their education attainment. The desired wage increase in percentage terms ranges between 5% and 14% percent for individuals with a certificate degree, community college degree, college degree, or higher. These percentage differences between current and desired wages are significant but perhaps manageable, that is, in-line with the opening ask of a worker who is being recruited to change positions. Potential job seekers with only a high school degree or some college seek at 19% to 21% increase. This amount of increase could be more challenging for employers to meet. To assess this challenge, it will be important to analyze the gap between current and desired wages in occupations that employ individuals without a post-secondary degree. Potential job seekers without a high school degree on average seek at 29% wage increase; however, this estimate is based on a sample size of just 16 respondents.

Table 3.3: Current and Desired Wages of Employed Job Seekers by Educational Attainment

Highest Level of Education	Weighted N	Average Current Wages (\$)	Average Desired Wages (\$)	Average Wage Differential (\$)	Percent Wage Differential
Less than High School	16	\$14.13	\$18.18	\$4.05	28.6%
High School Graduate or GED	136	\$16.15	\$19.51	\$3.36	20.8%
Some College	134	\$15.58	\$18.56	\$2.98	19.1%
Certificate	45	\$18.69	\$21.00	\$2.31	12.4%
Associate's Degree	150	\$20.99	\$23.63	\$2.64	12.6%
Bachelor's Degree	90	\$22.19	\$25.37	\$3.18	14.3%
Master's Degree or Higher	22	\$39.84	\$42.02	\$2.18	5.5%

Source: 2016 Workforce Study of Central Nebraska

Additional insights can be generated by comparing the current and desired wages of potential job seekers by occupation. This is done in Table 3.4. Results in Table 3.4 show wide variety in desired wage increases. There are select white collar, service and skilled blue collar occupations where there is a larger wage gap. Among blue collar workers, the largest wage gap is found for transportation and material moving occupations (\$4.54) and production occupations (\$4.14). These desired wages are approximately 20 percent higher than current wages.

The gap between desired and current hourly wages is more modest for most service occupations. Desired wages are \$1.88 per hour higher (12.5%) for office and administrative support occupations, \$2.06 (14.8%) for sales and related occupations and \$2.61 higher (25.4%) for food preparation and serving related occupations. Somewhat larger increases are desired for other service occupations, such as health care support occupations (\$3.04) and personal care and services occupations (\$3.26).

Among white collar workers, the gap is \$2.98 per hour for managers, although this represents just a 12.8% increase. The gap is \$2.96 per hour (15.8%) for business and professional operations workers, \$1.80 (6.3%) for health care practitioners, and \$1.37 (10.3%) for education, training and library workers.

Large desired increases in select occupations suggest that wage expectations could be a source of mismatch in the labor market. Before reaching this interpretation, however, it is worthwhile to examine how desired wages compare with the actual wages found in various occupation groups within Southwest Nebraska. The difference between the desired wages in each occupation group and the average hourly wage in that occupation in Southwest Nebraska, according to U.S. Bureau of Labor Statistics, can be observed in Table 3.5.

Table 3.4: Current and Desired Wages of All Potential Job Seekers by Occupation Group

Highest Level of Education	Weighted N	Average Current Wages \$	Average Desired Wages \$	Average Wage Differential \$	Percent Wage Differential
Management Occupations	34	\$23.36	\$26.34	\$2.98	12.8%
Business and Financial Operations Occupations	13	\$18.71	\$21.68	\$2.96	15.8%
Computer and Mathematical Occupations	5	\$17.67	\$21.19	\$3.52	19.9%
Architecture and Engineering Occupations	13	\$24.98	\$32.14	\$7.16	28.7%
Life, Physical and Social Science Occupations	2	\$52.62	\$53.33	\$0.72	1.4%
Community and Social Service Occupations	11	\$26.63	\$31.08	\$4.45	16.7%
Legal Occupations	5	\$14.63	\$18.15	\$3.52	24.1%
Education, Training, and Library Occupations	15	\$13.26	\$14.63	\$1.37	10.3%
Arts, Design, Entertainment, Sports, and Media Occupations	1	\$10.35	\$14.00	\$3.65	35.3%
Health Care Practitioners and Technical	74	\$28.49	\$30.30	\$1.80	6.3%
Health Care Support Occupations	27	\$13.81	\$16.85	\$3.04	22.0%
Protective Service Occupations	10	\$21.19	\$24.62	\$3.43	16.2%
Food Preparation and Serving Related Occupations	27	\$10.28	\$12.89	\$2.61	25.4%
Building and Grounds Cleaning and Maintenance Occupations	23	\$14.42	\$18.69	\$4.27	29.6%
Personal Care and Service Occupations	22	\$11.84	\$15.10	\$3.26	27.5%
Sales and Related Occupations	34	\$13.95	\$16.02	\$2.06	14.8%
Office and Administrative Support Occupations	140	\$15.07	\$16.95	\$1.88	12.5%
Farming, Fishing and Forestry Occupations	9	\$14.30	\$20.54	\$6.24	43.6%
Construction and Extraction Occupations	27	\$20.20	\$23.56	\$3.36	16.6%
Installation, Maintenance and Repair Occupations	63	\$23.56	\$26.46	\$2.90	12.3%
Production Occupations	27	\$21.18	\$25.32	\$4.14	19.5%
Transportation and Material Moving Occupations	43	\$20.15	\$24.69	\$4.54	22.5%

Source: *Southwest Nebraska Labor Availability Survey*

For occupations which typically require a college degree (SOC 11-29), desired wages are often below the average hourly wage in Southwest Nebraska. While this may occur because potential job seekers are on average younger, and therefore, have not yet gained sufficient experience to command the average wage in their occupation, the results suggest that the desired wage increases of college educated potential job seekers are modest and manageable.

In most cases, the same cannot be said of occupations which do not typically require a college degree (SOC 31-53). For such occupations, the gap between desired and actual hourly wages is negative. Key examples include production, transportation and material moving, construction and extraction, installation, maintenance and repair workers. Among service occupations, key examples include health care support, office and administrative support, sales and related and food preparation and serving related workers.



Table 3.5: Average Desired and Actual Wages of All Potential Job Seekers by Occupation Group

Highest Level of Education	Weighted N	Average Current Wages \$	Average Desired Wages \$	Average Wage Differential \$	Southwest Nebraska Wage (\$) (May 2016)
Management Occupations	34	\$23.36	\$26.34	\$2.98	\$35.14
Business and Financial Operations Occupations	13	\$18.71	\$21.68	\$2.96	\$27.30
Computer and Mathematical Occupations	5	\$17.67	\$21.19	\$3.52	\$23.65
Architecture and Engineering Occupations	13	\$24.98	\$32.14	\$7.16	\$28.59
Life, Physical and Social Science Occupations	2	\$52.62	\$53.33	\$0.72	\$26.00
Community and Social Service Occupations	11	\$26.63	\$31.08	\$4.45	\$21.05
Legal Occupations	5	\$14.63	\$18.15	\$3.52	\$40.88
Education, Training, and Library Occupations	15	\$13.26	\$14.63	\$1.37	\$22.42
Arts, Design, Entertainment, Sports, and Media Occupations	1	\$10.35	\$14.00	\$3.65	\$17.61
Health Care Practitioners and Technical Health Care Support Occupations	74	\$28.49	\$30.30	\$1.80	\$31.62
Protective Service Occupations	27	\$13.81	\$16.85	\$3.04	\$12.65
Food Preparation and Serving Related Occupations	10	\$21.19	\$24.62	\$3.43	\$19.62
Building and Grounds Cleaning and Maintenance Occupations	27	\$10.28	\$12.89	\$2.61	\$10.54
Personal Care and Service Occupations	23	\$14.42	\$18.69	\$4.27	\$12.86
Sales and Related Occupations	22	\$11.84	\$15.10	\$3.26	\$13.76
Office and Administrative Support Occupations	34	\$13.95	\$16.02	\$2.06	\$14.61
Farming, Fishing and Forestry Occupations	140	\$15.07	\$16.95	\$1.88	\$14.71
Construction and Extraction Occupations	9	\$14.30	\$20.54	\$6.24	\$14.87
Installation, Maintenance and Repair Occupations	27	\$20.20	\$23.56	\$3.36	\$18.16
Production Occupations	63	\$23.56	\$26.46	\$2.90	\$20.85
Transportation and Material Moving Occupations	27	\$21.18	\$25.32	\$4.14	\$16.71
	43	\$20.15	\$24.69	\$4.54	\$16.01

Source: *Southwest Nebraska Labor Availability Survey* and U.S. Bureau of Labor Statistics

The gap between desired and actual wages in these occupations may make it especially difficult for employers to find needed workers. But, are employers having difficulty? In other words, are these the occupations where employers note that it is most difficult to find workers? This question is addressed in Table 3.6. For each of 7 occupations, results are presented regarding the percentage of employers who found that it is difficult to hire workers for each occupation and the percentage of employers who reported that applicant wage demands are “too high.” Employers reported that it was less difficult than average (77.4%) to find workers in the health care support occupation group (70.8%), the sales and related occupation group (76.8%) and the office and administrative support occupation group (67.8%). By contrast, 93.8 percent of employers reported that it is difficult to hire workers in the construction and extraction occupations, 88.3 percent of employers for installation, maintenance and repair occupations, 83.1 percent for production occupations and 86.7 percent for transportation and material moving occupations. However, for all four of these occupation groups, a below average share of

employers report that applicant wage demands are “too high.” In other words, there are no occupations where it is especially difficult to find workers, where desired wages are well-above occupation averages and where employers report that there an elevated challenge with wage demands which are too high. Generally, these results suggest that wages are not contributing to the skills gap in any particular occupation group.

Table 3.6: Share of Business Respondents in the Survey of Southwest Nebraska Businesses about Skill and Training Requirements Reporting It Was Difficult to Find Workers, By Selected Occupation

Occupation	Percent of Employers Indicating That Wage Demands for the Occupation Were “Too High” (Average = 25.2%)	Percent of Employers Indicating That It Is “Difficult” To Find Workers in Occupation (Average = 77.4%)
Health Care Support Occupations	22.7%	70.8%
Sales and Related Occupations	25.7%	76.8%
Office and Administration Support Occupations	20.3%	67.8%
Construction and Extraction Occupations	21.2%	93.8%
Installation, Maintenance and Repair Occupations	21.3%	88.3%
Production Occupations	15.6%	83.1%
Transportation and Material Moving Occupations	21.6%	86.7%

Source: *Survey of Central Nebraska Hiring and Training Needs*

In summary, both employers and potential employees perceive some common sources of difficulty in hiring. Both perceive that some potential employees lack occupation-specific skills (lack of education, lack of training). Both groups also perceive that a significant number of potential employees have factors in their background which make hiring difficult even when workers have appropriate skills for a job. In particular, a significant share of employers report that workers have a “poor work history” or would have a difficult time passing a background check. At the same time, there is only limited evidence that the desire for higher wages is a significant source of the skills gap in Southwest Nebraska.

#### 4. Detailed Evaluation of Select Occupations

This section compares information from the employer and household surveys and secondary data from government sources to develop a profile of labor supply and demand in specific occupations.

Occupations are selected that have been identified by the Nebraska Department of Labor as a high wage occupation in the region (H3 occupations), or where evidence of a skills gap was identified in Chapters 2 and 3. Analysis should reveal the nature of the skills gap, if any, found in different occupations. A detailed analysis is provided for:

- Heavy and Tractor-Trailer Truck Drivers (SOC CODE 53-3032)
- Welders, Cutters, Solderers and Brazers (SOC CODE 51-4121)
- Automotive Service Technicians and Mechanics (SOC CODE 49-3023)
- Registered Nurses (SOC CODE 29-1141)
- Machinists (SOC CODE 51-4041)
- Maintenance and Repair Workers, General (SOC CODE 49-9071)
- Carpenters (SOC CODE 47-2031)
- Loan Officers (SOC CODE 13-2072)

##### A. Heavy and Tractor-Trailer Truck Drivers (SOC CODE 53-3032)

Heavy and tractor-trailer truck drivers transport goods from one place to another, often through long haul routes. This has been identified as a H3 occupation by the Nebraska Department of Labor, meaning it offers higher wage earnings opportunities. Heavy truck drivers also are a primary occupation within the transportation and material moving occupation group, which had a significant annual deficit between the annual number of job openings and potential entrants into the occupation. The mean hourly wage for the occupation in the region is \$19.22. Finding such workers is challenging. As seen in Table 4.1, 84.1 percentage of businesses reported that it is difficult to hire workers in this occupation.

Table 4.1 also shows the reasons for difficulty in hiring according to Southwest Nebraska employers who hire heavy and tractor-trailer truck drivers. Hiring truckers is especially challenging due to applicants who fail a background check and who lack required licenses and certificates. Also, 61.6% of Southwest Nebraska businesses indicate that there are not enough applicants for jobs in this occupation.

Data on annual openings and entrants for the heavy and tractor-trailer truck driver occupation provide further evidence of a limited annual supply of entrants with appropriate licenses and certificates. As seen in Table 4.1, there are an estimated 17 annual new openings in this occupation in Southwest Nebraska. To help fill these positions, Mid-Plains Community College offers a course and Commercial Drivers License (CDL) certificate program in professional truck driving. There were 6 graduates of this program during the 2015-16 school year and an estimated 4 would be available to the Southwest Nebraska economy. This supply of entrants only addresses a modest portion of expected annual openings. This suggests a need to encourage more workers to seek this training. However, there also are 118 former truck drivers in Southwest Nebraska who report an interest in re-entering the workforce, according to the results from the *Southwest Nebraska Labor Availability Survey*. If drawn back into the labor force, these former drivers also could address the shortfall for a number of years.

Table 4.1

## Key Findings for the Heavy and Tractor-Trailer Truck Drivers Occupation

Occupation	Heavy and Tractor-Trailer Truck Drivers (SOC 53-3032)	
		All Occupations
Percent Indicating It is Difficult to Hire	84.1%	77.4%
Reasons for Difficulty in Hiring		
Lack of Experience	42.2%	48.5%
Poor Work History	32.7%	43.3%
Lack of Occupation-Specific Skills	31.6%	38.6%
Failed Background Check	30.5%	22.0%
Wage Demands Too High	10.9%	25.2%
Lack of Required Licenses/Certificates	73.7%	12.2%
Language Barriers	16.8%	6.0%
Not Enough Applicants	61.6%	69.6%
Availability for Shifts Required	0.0%	19.4%
Lack of Required Education	0.0%	9.3%
Overqualified	5.3%	5.9%
Citizenship/Work Authorization	0.0%	1.6%
Other	5.3%	15.0%
Average Annual Openings	17	
Certificate Graduates – Professional Truck Driving (CDL)		
Mid-Plains Community College	6	
Allocated to Southwest Nebraska	4	
Seeking to Re-Enter the Workforce – In Occupation	118	

Sources: *Southwest Nebraska Survey of Hiring and Training Needs*, *Southwest Nebraska Labor Availability Survey*, *IPEDS*, United States Department of Education and Labor Market Information, Nebraska Department of Labor

#### B. Welders, Cutters, Solderers and Brazers (SOC 51-4121)

Analysis in Chapters 2 and 3 revealed a skills gap within production occupations in Southwest Nebraska. There was a significant annual deficit between the number of annual job openings and entrants into production occupations. Among production occupations, respondents to the *Southwest Nebraska Survey of Hiring and Training Needs* indicated that welders, cutters, solderers and brazers (SOC CODE 51-4121) was a common skilled production occupation in the region.

Welders, cutters, solderers and brazers use hand welding, flame cutting, hand soldering or brazing equipment to weld or join metal components or to fill holes, indentations, or seams of fabricated metal products. The mean hourly wage for the occupation in the region is \$17.40. Finding workers is challenging in this occupation. As seen in Table 4.2, 70.3 percent of businesses reported that it is difficult to hire welders. Further, one hundred percent of Southwest Nebraska businesses indicate that there are not enough applicants for jobs in this occupation.

Table 4.2 also shows the reasons for difficulty in hiring according Southwest Nebraska businesses who hire welders, cutters, solderers and brazers. Hiring welders, cutters and the like is challenging due to applicants who lack work experience and appropriate occupation-specific skills.

Data on annual openings and entrants for the welders, cutters, solderers and brazers occupation, however, do not show an annual deficit in entrants to the occupation. As seen in Table 4.2, there are an estimated 7 job openings in this occupation each year in Southwest Nebraska due to net job growth and the replacement of workers. The local economy appears to produce enough new entrants to fill these job openings. Eight students receive a 1-2 year certificate or graduate with an Associate's Degree each year from the Welding Technology/Welder program at Mid-Plains Community College. Of these, 6 would be expected to enter the occupation in Southwest Nebraska. This is similar to the annual number of regional openings in the occupation, even without any retired welders re-entering the labor force.

These findings suggest that efforts should be made to encourage more individuals to study welding technology at Mid-Plains Community College. However, there is not necessarily a need for an expansion of course offerings. Further, employers should support reliable production workers who seek to study welding, either through tuition support or attending classes during work hours. Experienced welders should maintain their positive work history.

Table 4.2

## Key Findings for the Welders, Cutters, Solderers and Brazers Occupation

Occupation	Welders, Cutters, Solderers and Brazers (SOC 51-4121)	
	All Occupations	
Percent Indicating It is Difficult to Hire	70.3%	73.6%
Reasons for Difficulty in Hiring		
Lack of Experience	48.6%	49.7%
Poor Work History	48.6%	49.7%
Lack of Occupation-Specific Skills	51.4%	39.5%
Failed Background Check	100.0%	19.1%
Wage Demands Too High	0.0%	31.5%
Lack of Required Licenses/Certificates	0.0%	11.8%
Language Barriers	0.0%	9.1%
Not Enough Applicants	100.0%	69.6%
Availability for Shifts Required	0.0%	25.8%
Lack of Required Education	0.0%	11.4%
Overqualified	0.0%	4.7%
Citizenship/Work Authorization	0.0%	3.0%
Other	0.0%	16.1%
Average Annual Openings	7	
Certificate or Associate's Degree – Welding Technology		
Mid-Plains Community College	8	
Allocated to Southwest Nebraska	6	
Seeking to Re-Enter the Workforce – In Occupation	0	

Sources: *Southwest Nebraska Survey of Hiring and Training Needs*, *Southwest Nebraska Labor Availability Survey*, *IPEDS*, United States Department of Education and Labor Market Information, Nebraska Department of Labor

### C. Automotive Service Technicians and Mechanics (SOC CODE 49-3023)

Automotive service technicians and mechanics diagnose, adjust, repair or overhaul automotive vehicles. This has been identified a H3 occupation by the Nebraska Department of Labor meaning it offers higher wage earnings opportunities. Automotive service technicians and mechanics also are one of the primary occupations within the installation, maintenance and repair occupation group. There was a significant annual deficit between the number of job openings and entrants into installation, maintenance and repair occupations in Southwest Nebraska. The mean hourly wage for the occupation in the region is \$17.40.

As seen in Table 4.3, 95.5 percent of businesses reported that it is difficult to hire workers in the automotive service technicians and mechanics occupation. The table also shows the reasons for difficulty. Eighty-nine percent of Southwest Nebraska businesses which hire workers in this occupation indicate that applicants lack occupation-specific skills while an elevated 42.9% indicate that applicants lack the required education. Both shares are much higher than for all occupations. Interestingly, just 54.1 percent of these businesses report there are not enough applicants, a much smaller share than for occupations overall.

The latter finding is consistent with data on annual openings and entrants for automotive service technicians and mechanics. As seen in Table 4.3, there are 9 projected openings in this occupation each year in Southwest Nebraska. At the same time, 10 students graduate from the Mechanics and Repair Technology Technicians Associate's Degree program at Mid-Plains Community College each year and 8 would be expected to be available to the Southwest Nebraska economy. The annual flow of entrants, therefore, is sufficient to match the annual flow of job openings. However, it is also noted that the *Southwest Nebraska Labor Availability Survey* did not identify any former automotive technicians and mechanics who reported an interest in re-entering the workforce.

These findings suggest that the annual flow of entrants into the automotive technicians and mechanics occupation is sufficient to match job openings but that employers have problems with the skill level and education background of the existing applicant pool, which reflects past as well as current occupation entrants. These concerns may diminish over time as more students complete the program at Mid-Plains Community College but can diminish more quickly if more students are encouraged to join the Mechanics and Repair Technology Technicians program each year.

Table 4.3

## Key Findings for the Automotive Service Technicians and Mechanics Occupation

Occupation	Automotive Service Technicians and Mechanics (SOC 49-3023)	
	All Occupations	
Percent Indicating It is Difficult to Hire	95.5%	77.4%
Reasons for Difficulty in Hiring		
Lack of Experience	63.5%	48.5%
Poor Work History	42.5%	43.3%
Lack of Occupation-Specific Skills	88.8%	38.6%
Failed Background Check	20.6%	22.0%
Wage Demands Too High	28.3%	25.2%
Lack of Required Licenses/Certificates	22.3%	12.2%
Language Barriers	0.0%	6.0%
Not Enough Applicants	54.1%	69.6%
Availability for Shifts Required	0.0%	19.4%
Lack of Required Education	42.9%	9.3%
Overqualified	4.7%	5.9%
Citizenship/Work Authorization	0.0%	1.6%
Other	9.4%	15.0%
Average Annual Openings	9	
Associate's Degree – Mechanics and Repair Technology Technicians		
Mid-Plains Community College	10	
Allocated to Southwest Nebraska	8	
Seeking to Re-Enter the Workforce – In Occupation	0	

Sources: *Southwest Nebraska Survey of Hiring and Training Needs*, *Southwest Nebraska Labor Availability Survey*, *IPEDS*, United States Department of Education and Labor Market Information, Nebraska Department of Labor



#### D. Registered Nurses (29-1141)

Registered nurses assess patient health problems and needs, develop and implement nursing care plans, maintain medical records, administer nursing care to ill, injured convalescent or disabled patients, advise patients on health maintenance and disease prevention, and provide case management.

Registered nursing has been identified as an H3 occupation by the Nebraska Department of Labor, meaning it offers higher wage opportunities. Registered nurses also are a primary occupation within the health care practitioners and technical workers occupation group. There was an annual deficit in Southwest Nebraska between the number of job openings and annual entrants among health care practitioners. The mean hourly wage for registered nurses in the region is \$28.30. Finding workers is challenging in this occupation. As seen in Table 4.4, 88.9 percent of businesses reported that it is difficult to hire registered nurses. That is a much higher percentage of difficulty than is found for occupations overall.

Table 4.4 also shows the reasons for difficulty in hiring according to Southwest Nebraska employers who hire registered nurses. Availability is the primary challenge with 100 percent of employers indicating that it is difficult to hire because there not enough applicants for registered nurse positions. Registered nurses seem to understand these market conditions. An elevated share of businesses, 37.5%, report that applicants have wage demands which are too high. There are few problems with the quality of applicants for registered nurse positions. Just 25.0 percent of employers report that is difficult to hire registered nurses because applicants lack occupation specific skill, while 12.5 percent point to a lack of experience. No employers report that it is difficult to hire due to applicants with a poor work history.

Data on annual openings and entrants for the registered nurse occupation suggest that the challenges are not entirely due to a lack of graduates with appropriate training. As seen in Table 4.4, there are an estimated 21 new job openings each year for registered nurses in Southwest Nebraska due to growth in employment and the replacement of workers. There are 24 graduates with an Associate's Degree in registered nursing from Mid-Plains Community College each year, and 19 would be expected to be from Southwest Nebraska. These annual graduates have the potential to meet the need from new job openings in the region. The challenge may be with local employers competing for graduates versus job opportunities in larger cities in Nebraska and nearby states. Employers in Southwest Nebraska may consider how to improve the wages, working conditions and overall appeal of working as a registered nurse in the region. In addition, more students can be encouraged to pursue degrees in nursing at Mid-Plains Community College.

Table 4.4

## Key Findings for the Registered Nurses Occupation

Occupation	Registered Nurses (SOC 29-1141)	All Occupations
Percent Indicating It is Difficult to Hire	88.9%	77.4%
Reasons for Difficulty in Hiring		
Lack of Experience	12.5%	48.5%
Poor Work History	0.0%	43.3%
Lack of Occupation-Specific Skills	25.0%	38.6%
Failed Background Check	0.0%	22.0%
Wage Demands Too High	37.5%	25.2%
Lack of Required Licenses/Certificates	25.0%	12.2%
Language Barriers	0.0%	6.0%
Not Enough Applicants	100.0%	69.6%
Availability for Shifts Required	12.5%	19.4%
Lack of Required Education	12.5%	9.3%
Overqualified	0.0%	5.9%
Citizenship/Work Authorization	0.0%	1.6%
Other	0.0%	15.0%
Average Annual Openings	21	
Associate's Degree – Registered Nursing		
Mid-Plains Community College	24	
Allocated to Southwest	19	
Seeking to Re-Enter the Workforce – In Occupation	0	

Sources: *Southwest Nebraska Survey of Hiring and Training Needs*, *Southwest Nebraska Labor Availability Survey*, *IPEDS*, United States Department of Education and Labor Market Information, Nebraska Department of Labor

#### E. Machinists (SOC 51-4041)

Analysis in Chapters 2 and 3 revealed a skills gap within production occupations in Southwest Nebraska. There was a significant annual deficit between the number of annual job openings and entrants into production occupations. Among production occupations, respondents to the *Southwest Nebraska Survey of Hiring and Training Needs* indicated that Machinists (SOC CODE 51-4041) was a common skilled production occupation in the region.

Machinists set up and operate a variety of machine tools to fabricate, modify or repair precision parts and instruments, applying knowledge of mechanics, mathematics, metals properties and machining procedures. The mean hourly wage for the occupation in the region is \$18.48. Survey results indicate that it is challenging to find workers in this occupation. As seen in Table 4.5, 100.0% of regional businesses reported that it is difficult to hire machinists. Worker availability is the primary issue. Table 4.5 shows the reasons for difficulty in hiring. One hundred percent of businesses which hire machinists report that there are not enough applicants. Businesses did not report concerns about worker quality.

Data on annual job openings and entrants also indicate challenges with the number of entrants to this occupation. As seen in Table 4.5, there are an estimated 7 new openings in this occupation each year in Southwest Nebraska. However, Mid-Plains Community College did not have any reported graduates from a machine tool program during its most recent year. Further, responses to the *Southwest Nebraska Labor Availability Survey* did not reveal any former machinists with an interest in re-entering the workforce. These results suggest that more machinists need to be recruited to Southwest Nebraska by improving the wages and working conditions.

Table 4.5

## Key Findings for the Machinists Occupation

Occupation	Machinists (SOC 51-4041)	All Occupations
Percent Indicating It is Difficult to Hire	100.0%	77.4%
Reasons for Difficulty in Hiring		
Lack of Experience	0.0%	48.5%
Poor Work History	0.0%	43.3%
Lack of Occupation-Specific Skills	0.0%	38.6%
Failed Background Check	0.0%	22.0%
Wage Demands Too High	0.0%	25.2%
Lack of Required Licenses/Certificates	0.0%	12.2%
Language Barriers	0.0%	6.0%
Not Enough Applicants	100.0%	69.6%
Availability for Shifts Required	0.0%	19.4%
Lack of Required Education	0.0%	9.3%
Overqualified	0.0%	5.9%
Citizenship/Work Authorization	0.0%	1.6%
Other	50.0%	15.0%
Average Annual Openings	7	
Certificate or Associate's Degree Graduates – Machine Tool Technology		
Mid-Plains Community College	0	
Allocated to Southwest Nebraska	0	
Seeking to Re-Enter the Workforce – In Occupation	0	

Sources: *Southwest Nebraska Survey of Hiring and Training Needs*, *Southwest Nebraska Labor Availability Survey*, *IPEDS*, United States Department of Education and Labor Market Information, Nebraska Department of Labor

#### F. Maintenance and Repair Workers, General (SOC CODE 49-9071)

Maintenance and repair workers, general have at least two skills in the installation, maintenance or repair of machines and mechanical equipment. Maintenance and repair workers also are one of the primary occupations within the installation, maintenance and repair occupation group. There was a significant annual deficit between the number of job openings and entrants into installation, maintenance and repair occupations in Southwest Nebraska. The mean hourly wage for the occupation in the region is \$16.63. Eighty-three percent of employers indicate that it is difficult to hire general maintenance and repair workers, according to respondents to the *Southwest Nebraska Survey of Hiring and Training Needs*.

Table 4.6 shows the reasons for difficulty. Experience, worker quality and eligibility to work are major issues, with 87.4% of Southwest Nebraska businesses which hire general maintenance and repair workers indicating that it is difficult to hire because applicants do not have sufficient work experience. Further, an elevated 67.0% of respondents indicate that it is difficult to hire because applicants have a poor work history. There also is an elevated share of employers who indicate that applicants face language barriers or lack work authorization. Interestingly, only about half of businesses report that there is a problem with too few applicants.

Data on annual openings and entrants for general maintenance and repair workers do suggest a lack of educated and experienced applicants. As seen in Table 4.6, there are 11 projected openings in this occupation each year in Southwest Nebraska. At the same time, no students graduated from the HVAC program at Mid-Plains Community College in the last year for which data is available from the U.S. Department of Education (2015-2016). Further, there were no former general maintenance and repair workers who reported an interest in re-entering the workforce in the *Southwest Nebraska Labor Availability Survey*.

These findings suggest a need to encourage a few more individuals each year to seek training in the HVAC program at Mid-Plains Community College. Further, issues with undocumented applicants might be reduced if there is an increase in legal immigrants moving to Southwest Nebraska. More generally, there is a need to increase the experience level of general maintenance and repair workers, including those without formal training. Employers also may need to hire less experienced workers. The state of Nebraska or local agencies could potentially participate through temporary wage subsidies for businesses which hire less experienced workers to help them build additional time on the job.

Table 4.6

## Key Findings for the Maintenance and Repair Workers, General Occupation

Measure	Maintenance and Repair Workers, General (SOC 49-9071)	All Occupations
Percent Indicating It is Difficult to Hire	83.0%	77.4%
Reasons for Difficulty in Hiring		
Lack of Experience	87.4%	48.5%
Poor Work History	67.0%	43.3%
Lack of Occupation-Specific Skills	48.1%	38.6%
Failed Background Check	34.3%	22.0%
Wage Demands Too High	18.9%	25.2%
Lack of Required Licenses/Certificates	37.8%	12.2%
Language Barriers	20.4%	6.0%
Not Enough Applicants	53.2%	69.6%
Availability for Shifts Required	18.9%	19.4%
Lack of Required Education	0.0%	9.3%
Overqualified	0.0%	5.9%
Citizenship/Work Authorization	20.4%	1.6%
Other	15.4%	15.0%
Average Annual Openings	11	
Certificate and Associate's Degree Graduates – HVAC Program		
Mid-Plains Community College	0	
Allocated to Southwest	0	
Seeking to Re-Enter the Workforce – In Occupation	0	

Sources: *Southwest Nebraska Survey of Hiring and Training Needs*, *Southwest Nebraska Labor Availability Survey*, *IPEDS*, United States Department of Education and Labor Market Information, Nebraska Department of Labor

#### G. Carpenters (SOC CODE 47-2031)

Carpenters construct, erect, install, or repair structures and fixtures made of wood, such as concrete forms; building frameworks, including partitions, joists, studding, and rafters; and wood stairways, window and door frames, and hardwood floors. Carpenters also are one of the primary occupations within the construction and extraction occupation group. There was a significant annual deficit between the number of job openings and entrants into construction and extraction occupations in Southwest Nebraska. The mean hourly wage for carpenters is \$16.81 in the region. One hundred percent of employers indicate that it is difficult to hire carpenters according to the *Southwest Nebraska Survey of Hiring and Training Needs*.

Table 4.7 shows the reasons for difficulty in hiring. A lack of applicants is a primary concern. One hundred percent of Southwest Nebraska businesses which hire carpenters reported that it is difficult to hire due to a lack of applicants. There is also an elevated number of employers who indicate that applicants lack work authorization and, perhaps as a result, have difficulty passing a background check. An elevated 80.8% of employers also indicate that it is difficult to hire because applicants lack occupation-specific skills.

Data on annual job openings and entrants for carpenters only partly supports employer reports that there are a lack of applicants for carpenter positions. As seen in Table 4.7, there are 4 projected openings for carpenters each year in Southwest Nebraska. At the same time, just one student received a certificate from the Building/Construction Finishing at Mid-Plains Community College in the last year (2015-2016), according to data from the U.S. Department of Education. Mid-Plains Community College had more students completing certificates and Associate's Degrees as electricians. This small annual gap between openings may be partly filled by retired or other former carpenters re-entering the work force. There are 49 former carpenters who reported an interest in re-entering the workforce according to results of the *Southwest Nebraska Labor Availability Survey*.

The primary challenge for the carpenter occupation appears to be the skill level of workers as well as the number of applicants. These findings suggest a need to encourage a more individuals to seek training in building skills at Mid-Plains Community College. Employers also can offer additional opportunities for on-the-job training and apprenticeship programs for carpenters, with public agencies providing financial support as workers build their skills. Finally, issues with applicants who lack work authorization might be reduced if there is an increase in legal immigrants moving to Southwest Nebraska.

Table 4.7

## Key Findings for the Carpenters Occupation

Measure	Carpenters (SOC 47-2031)	All Occupations
Percent Indicating It is Difficult to Hire	100.0%	77.4%
Reasons for Difficulty in Hiring		
Lack of Experience	42.5%	48.5%
Poor Work History	19.2%	43.3%
Lack of Occupation-Specific Skills	80.8%	38.6%
Failed Background Check	38.4%	22.0%
Wage Demands Too High	0.0%	25.2%
Lack of Required Licenses/Certificates	0.0%	12.2%
Language Barriers	0.0%	6.0%
Not Enough Applicants	100.0%	69.6%
Availability for Shifts Required	0.0%	19.4%
Lack of Required Education	0.0%	9.3%
Overqualified	0.0%	5.9%
Citizenship/Work Authorization	38.4%	1.6%
Other	0.0%	15.0%
Average Annual Openings	4	
Certificate and Associate's Degree Graduates – Building/Construction Finishing		
Mid-Plains Community College	1	
Allocated to Southwest	1	
Seeking to Re-Enter the Workforce – In Occupation	49	

Sources: *Southwest Nebraska Survey of Hiring and Training Needs*, *Southwest Nebraska Labor Availability Survey*, *IPEDS*, United States Department of Education and Labor Market Information, Nebraska Department of Labor



#### H. Loan Officers (SOC CODE 13-2072)

Loan officers evaluate, authorize and recommend approval of loan applications for businesses and people. Loan officers also are one of the primary occupations within the business and financial operations occupation group, one of the white collar occupations with a significant annual deficit between the number of job openings and entrants. The mean hourly wage for the occupation in the region is \$35.34. One hundred percent of employers indicate that it is difficult to hire loan officers, according to respondents to the *Southwest Nebraska Survey of Hiring and Training Needs*.

Table 4.8 shows the reasons for difficulty in hiring. Lack of occupation specific skill is an important issue, with 60.0% of Southwest Nebraska businesses which hire loan officers indicating this is a source of difficulty. But, the primary issue appears to be a lack of applicants. Ninety percent of employers indicate it is difficult to hire due to a lack of applicants. Applicants appear to be aware of the situation given that an elevated 30% of employers report that it is difficult to hire because applicants have wage demands which are “too high.” Note that few employers have concerns with issues such as poor work history.

The lack applicants does not appear to result from a difference between the annual the number of job openings and labor market entrants. As seen in Table 4.8, there are 3 projected openings each year for loan officers in Southwest Nebraska and 3 college graduates trained in banking and finance projected to return to Southwest Nebraska each year after completing college. There were no former loan officers who reported an interest in re-entering the workforce in the *Southwest Nebraska Labor Availability Survey*.

The challenge for regional employers may be with competing to maintain existing personnel in the region versus opportunities in larger cities in Nebraska and neighboring states. In response, employers in Southwest Nebraska may consider how to improve the wages, working condition and overall appeal of working as a loan officer in the region. Southwest Nebraska employers also can utilize business internship programs, including those organized by the Nebraska Department of Development, to attract even more college graduates trained in banking and finance back to the region.

Table 4.8

## Key Findings for the Loan Officers Occupation

Measure	Loan Officers (SOC 13-2072)	All Occupations
Percent Indicating It is Difficult to Hire	100.0%	77.4%
Reasons for Difficulty in Hiring		
Lack of Experience	50.0%	48.5%
Poor Work History	10.0%	43.3%
Lack of Occupation-Specific Skills	60.0%	38.6%
Failed Background Check	0.0%	22.0%
Wage Demands Too High	30.0%	25.2%
Lack of Required Licenses/Certificates	0.0%	12.2%
Language Barriers	0.0%	6.0%
Not Enough Applicants	90.0%	69.6%
Availability for Shifts Required	0.0%	19.4%
Lack of Required Education	20.0%	9.3%
Overqualified	10.0%	5.9%
Citizenship/Work Authorization	0.0%	1.6%
Other	40.0%	15.0%
Average Annual Openings	3	
Bachelor's Degree Graduates – Banking and Finance		
Returning to Southwest Nebraska	3	
Seeking to Re-Enter the Workforce – In Occupation	0	

Sources: *Southwest Nebraska Survey of Hiring and Training Needs*, *Southwest Nebraska Labor Availability Survey*, *IPEDS*, United States Department of Education and Labor Market Information, Nebraska Department of Labor